Case Corporation *and* International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), AFL–CIO, Petitioner. Case 33–RC–3532

August 27, 1991

DECISION ON REVIEW AND ORDER[1]

BY MEMBERS CRACRAFT, DEVANEY, AND OVIATT

On June 21, 1990, the Board granted the Employer's request for review of the Acting Regional Director's Decision and Direction of Election. The election was conducted as scheduled on June 22, 1990, and the ballots were impounded.

Having carefully reviewed the entire record, including the brief on review, the Board has decided to affirm the Acting Regional Director' decision (relevant portions of which are attached as an appendix). The Acting Regional Director determined that the petitioned-for engineers are neither managerial nor confidential employees, and that their representation by the Petitioner would not create a conflict of interest or adversely affect the performance of their duties with regard to the Employer's other employees, who already are represented by the Petitioner. Thus, the Board, in agreement with the Acting Regional Director, finds that there is insufficient evidence to establish that the Employer's engineers' duties are not limited to making technical production or performance standard determinations, or to making recommendations as to new product, procedures, or operations, in order to reduce the Employer's cost of business. There is no record evidence that any of the engineers have the discretion to deviate from the Employer's established policies, or that the are privy to information concerning anticipated changes that may result from collective-bargaining negotiations. *American Radiator Corp.*, 119 NLRB 1715, 1720 (1958).

In particular, the Board notes that although the Employer's industrial engineers participate in the incentive standards complaint and Grievance procedure, the Employer has failed to demonstrate that the engineers have the authority to make any final binding dispositions of grievances. The complaint procedure merely provides that the industrial engineers review and make any necessary corrections in the standard hour plan, and if the complaint is not satisfactorily resolved, the engineer and the union work standards representative conduct a joint factfinding review of the standard in question. If a grievance is filed the engineer and the union representative participate in the third step by presenting the joint fact findings. Thus, as in *Chrysler Corp.*,[2] the grievance procedure does not provide, nor does the testimony establish, that the industrial engineers decide or resolve grievances.

Further, the industrial engineers are neither managerial nor confidential employees by virtue of their involvement in contract negotiations. Although the engineers critique the Union's proposals, and some of them have participated in negotiations and sat at the bargaining table as a member of the Employer's local negotiating team, or participated as a member of the Employer's central negotiating team, the Employer has failed to demonstrate that the role of these engineers is other than that of providing personnel or statistical information upon which the Employer's labor relations policy is based. There is no evidence in the record to show that they know the precise terms to which the Employer would agree in a collective-bargaining agreement. Compare *Pullman, Inc.*, 214 NLRB 762, 763 (1974).

Accordingly, the Regional Director is directed to count the ballots cast by the employees at the election held on June 22, 1990, prepare a tally of ballots, and issue the appropriate certification.

MEMBER OVIATT, dissenting in part.

Contrary to my colleagues, I would exclude the industrial engineers from the unit found appropriate as conidential employees under the reasoning in *Pullman, Inc.*, 214 NLRB 762 (1974). I find it clear that the individuals in this classification must use independent discretion and judgment in determining whether additional employees are required. Industrial engineers were part of the employer's negotiating team, and involved in strategy meetings to respond to proposals by the Union. In these circumstances I believe that the industrial engineers are ''specially aligned with the employer's interests in the area of labor relations,'' who are properly accorded ''the status of 'confidential' employees'' whose participation with other employees in union activities ''would necessarily subject them to a critical conflict of interests and impair their trust with the employer.'' *Pullman*, supra, 214 NLRB at 763.

[1] Originally issued as an unpublished Decision on Review and Order on August 27, 1991; now issued as a published Decision on Review and Order for inclusion in the Board volumes.

[2] 192 NLRB 1208, 1209 (1971).

APPENDIX

The Employer's East Moline Facility

The record reveals that the production and maintenance employees employed by Case at its East Moline facility are represented by UA Local 1304. The tool makers and other skilled workers are in a skilled trades bargaining unit also represented by UA Local 1306. bargaining unit of clerical and technical employees is similarly represented by UA Local 1356.

Many of the production workers at the East Moline facility are incentive workers who work under a standard hour plan. Under this plan, a normal skilled piece worker is expected

to produce 125 percent of the standard hourly plan at an incentive base rate established for his/her job. All of the incentive classifications are based on machines which are operated in the plant and on standards as to what is expected of an individual when he is working on that particular machine operation.

The work of the skilled trades involves two types of work, either construction work or tooling work. The construction work is performed by such trades as the carpenters, electricians, ironworkers and millwrights. The tooling work includes the development and manufacture of fixtures, jigs and other items that are used on machine tools.

The employees sought by the Petitioner in this proceeding consist of the following. Twelve industrial engineers are employed in the industrial engineering department. Their immediate supervisor is industrial engineering manager Steve Tyler. Eighteen process engineers, who are also referred to as manufacturing engineers, are employed in the manufacturing engineering department. Their supervisor is manager of manufacturing engineering R. L. (Bob) Hannah. To advance planning process engineers are employed in the liaison department. These advanced planning process engineers are also sometimes known as pre-production planning engineers. They are supervised by Vera Cathelyn, product introduction coordinator in the liaison department. Seven facility engineers are employed in the facility and plant engineering department and are supervised by facility and plant engineering manager Walter Dunn. One long-range planning engineer, who is actually classified as a facility engineer, is employed in long-range planning and supervised by manager of long-range planning Stephen Potter. Two metallurgist/quality control engineers are employed in the metallurgy/quality control department. The metallurgist/quality control engineers report to chief metallurgist Martin Plecki.

All of the process engineers, the advance planning process engineers, the facility engineers, the long-range planning engineers, the metallurgist/quality control engineers, and the industrial engineers, with the exception of the trainees, are labor grade four salaried employees. The industrial engineer trainees are labor grade three. All receive the salaried benefit package. None receive overtime and none punch a time clock. With the exception of the metallurgist/quality control engineers who are located in the plant, all have offices in the main office. While the supervisors of the various engineering departments have their own offices, the engineers sought to be included in the petitioned-unit do not have separate offices but each group has its on large room in which individual desks and tables are located.

Of the current process engineers, four have college degrees and two have three years of college. The process engineers are not certified. Six to nine months ago, a college degree became a requirement for a process engineer. With regard to the industrial engineers, five of the 12 industrial engineers have college degrees. Both of the advanced planning process engineers have college degrees, and one has a professional engineering license. Although it appears that approximately four of the facility engineers have college degrees, the others do not have college degrees. Long-range planning engineer Adlfinger does not have a college degree and is not licensed by any unit of government. It does not appear that any of the metallurgist/quality control engineers have college degrees or hold a license.

Industrial Engineers

Currently, the industrial engineers sought to be included in the petitioned-for unit include Jim Snyder, Jerry Piper, Marv Pfau, Dale Nimrick, Tim Vaughn, Bob Maher, Stan Brillhart, Buz Vallee, Virgil Kain, Mike McCalla, Jim Miller, and J. Horst. The industrial engineers are classified as trainees or as senior industrial engineers.

The industrial engineering department provides the methods, incentive rates and line balances for the incentive piece work jobs performed by production employees. The industrial engineers establish the method on the production floor, that is, the order in which movements are to be performed on the machine operated by the piece worker. It is the objective of the industrial engineer to make the production employee as efficient as possible in the movements needed to perform the job. The industrial engineers provide assembly line balance by determining how many production employees are needed to react to a schedule change on the assembly line. The goal is to make sure that there are enough employees working to accomplish the jobs necessary to assure production is made but not, at the same time, assign too many employees to the production line so that inefficiencies are built in.

The standard which is the basis for the incentive system is the standard hour plan, also referred to as SHP. The SHP system is based on a work measurement system called MOST, which is an acronym for the Maynard Operations Sequence Technique. MOST is a pre-determined time system. The SHP determines how much money a production employee on piece work will make.

When an industrial engineer is given an assignment by department manager Tyler to evaluate a job under MOST for purposes of the standard hour plan, the evaluation is done by work centers encompassing anywhere from 100 to 6000 jobs, part numbers or operations. The industrial engineer goes to the work center and gathers pertinent information including the machine cycles, distances from the source to load the machines, the types of machines incorporated in the work center, and what type of work is done across the work center, that is, whether it be drills, shears, saws or other work. After the industrial engineer gathers this information, he enters the data into a works management manual which has all the information pertaining the machine which is evaluated, the distances, and what has to be done in this particular work center. The manual is a guideline for setting future jobs and contains various information that the industrial engineer is required to observe on a particular job. The industrial engineer enters the data into the work management manual based upon his observation.

After the industrial engineer has gathered all of the information under MOST, he assigns common movements to common activities and assigns numbers to the specific movements or pieces of work. At such time as he completes his observations of the movements of the operator on the plant floor and notes these movements in his manual, he then goes to the chart which is part of the manual to find the locaters which are addresses in the computer that refer to specific movements or functions and enters that locater into the computer. He takes his list of all the different locaters that have a work assigned to them and puts together the part numbers in a systematic order such that he can actually set the incentive rates from his desk. Standard locaters have been devel-

oped that are then used to establish a standard for a particular operation. There are a large number of general locaters that are used to pick and choose from to assign for different work so that an engineer only need build a new locater if one does not fit the established criteria. After the industrial engineer has entered the data into the computer, the computer generates a standard for all of the part numbers in the work center that the industrial engineer has evaluated. The MOST system program in the computer generates a standard and gives a time for that standard. The standard or SHP then goes into the system for the piece worker on the floor to use.

MOST is a measurement system whereby after an industrial engineer determines what the movements are that are required to perform a particular operation on a machine, the MOST system gives a time for those movements. The industrial engineer does not decide what work is necessary to do a job but does decide that order it is to be done in, that is, the methodology. In determining the methodology, the industrial engineer seeks to make the movements of the piece worker as efficient as can be devised. Once the industrial engineer decides the method, the time comes out of the MOST system. Personal and delay allowances are also built into the computer system.

Case's headquarters are in Racine, Wisconsin. When corporate headquarters personnel trained the industrial engineers in MOST after Case acquired the East Moline facility from International Harvester, they gave the industrial engineers a couple of work management manual samples for them to use to make their own manual. The East Moline manual was put together in the same manner as the samples and is a reference book which describes how areas are put together under SHP.

There may be occasions when an industrial engineer has to generate an alternate or new rate standard for an operation. An alternate standard may be required if the material is not of the specified size and the part has to be manufactured out of an alternate piece of stock. The standard is generated using the same procedure under the MOST system as for a regular standard except the standard is just for a temporary period of time and for a limited number of pieces.

When the company introduces new products or makes changes in existing products, an industrial engineer determines the method of assembly on a prototype. The industrial engineer will establish labor content on a prototype which will translate into costs. Higher management will use the cost information generated by the industrial engineer on the prototype to see if a new product will be profitable. In the planning stages of new products and yearly changes, advance planning groups will estimate the costs and the industrial engineer may be consulted. In addition, the industrial engineers and also the process engineers involved with the prototype may later train the foreman and hourly employees on the method of assembly to be used with regard to the new or changed product.

The industrial engineering department devises approximately 4,000 SHPs each year. In general, every group of piece workers that are put on SHP are involved in method improvements whereby feeds and speeds are increased or operations are combined. Under the planning performance and evaluation program (PPE) at Case, at the beginning of each year, performance planning and evaluation goals are established for the industrial engineering department and for each individual engineer. These goals are then used at year-end to determine their awards and the annual evaluation of the engineers. The planning performance and evaluation goals include increasing the amount of SHP in the plant to a level whereby 95 percent of the incentive hourly people are on SHP and thereby also reducing the direct labor costs by 20 percent. All goals are geared to cut costs.

Case also has eight cost reduction teams which are coordinated by the industrial engineering department. A general foreman heads up each team and on that team is a production supervisor, one or two industrial engineers, sometimes a process engineer and sometimes a facility engineer. These teams meet once a month to brainstorm for new ideas as to how they can reduce the costs at the plant. The industrial engineer on each team helps the other members with their ideas, encouraging them on the ones that the engineer evaluates to have good cost savings potential and discouraging them on the ideas for which cost savings is not likely.

The function of the industrial engineering department on the cost reduction teams is to assess the feasibility of cost reduction suggestions. The industrial engineer assigned to the task reports his findings, recommendations and suggestions to department manager Tyler. Frequently before discussing his suggestions with Tyler he will, out of courtesy, first discuss the with the foreman who would implement them if the ideas are given final authorization. Neither Tyler nor any of the industrial engineers have authority to make a final decision with regard to the idea.

The East Moline facility has a guaranteed employment level (GEL) for its production and maintenance bargaining unit employees. Typically, production schedules are forecast six months in advance. The schedules are written by material planning and distribution, which is also responsible for securing the materials necessary to support that schedule. These schedules are brought to the industrial engineers who analyze the manpower necessary in the plant to attain those schedules. The industrial engineers make estimates as to how many persons it is going to take in each of the product areas and frequently go back to the people writing the schedules with recommendations on what could be done differently to level out the staffing needs. Under the GEL provisions in the contract, once a person comes under GEL, the Company for the duration of the contract cannot lay the person off without a financial penalty. Therefore, staffing leveling is important so that employees are not hired over whom the Company will suffer a later penalty if they must be laid off.

In the GEL program, the industrial engineers do not decide which individual bargaining unit employee to put on the GEL program. The industrial engineer's primary role in the GEL program is the establishment of the SHP standards which influence the staffing needs. How a job is going to be performed, that is, the method and the standard that is associated with the job determine the need for staffing to the advance schedule.

The guaranteed employment level is also significant to the staffing requisition requests. When a departmental staffing request comes to the industrial engineer, the industrial engineer compares that with the guaranteed employment level number. If the plant already exceeds the guaranteed employment level number, only corporate headquarters can authorize additional hiring and the plant must stay within those guidelines. The industrial engineer tries to sort out who really

needs the employees whom corporate headquarters has authorized the plant to hire.

The staffing approval process is initiated by a foreman filling out a written request. After the department manager approves the foreman's request, it is brought to industrial engineering. After industrial engineering receives the request, manager Tyler assigns an industrial engineer to review the request and compare it to the manning chart for the department. The industrial engineer will use a pre-existing standard to determine if additional employees are needed. The departmental charts describe the classifications and all incentive and non-incentive employees in the department. The industrial engineer will look at old staffing charts for the history to determine if the foreman needs as many additional employees as he has requested. Each department has a manpower budget and a goal of the industrial engineer when he receives a manpower acquisition form is to counsel the foreman or manager so the plant will make budget. The industrial engineer will take the manpower requisition form to the manager of production operations and advise the manager of production operations if he thinks the request should be rejected or accepted. If the departmental foreman disagrees with the industrial engineer, the manager of production operations will make a final decision. Approximately 90 percent of the time, the manager of production operations will accept the industrial engineers recommendation. The industrial engineer does not have the authority to unilaterally deny a request for additional staffing. If the industrial engineer accepts the request of the foreman and his manager, he will discuss it with Manager of Production Operations Horak. The industrial engineer's signature on the staffing requisition form indicates he has received the form, not accepted or rejected it. Manager of Production Operations Horak has the I overall responsibility for all assembly including the assembly staffing approval process.

Case has a productivity task force to assist departments having difficulties with productivity and in staying within their budgets. Industrial engineers are called in as trouble shooters by the foreman and general foreman of the department experiencing these problems. The industrial engineer who heads up the task force, will spend time reviewing the operation on the floor and make his recommendations on what might be done to be more productive and stay within budget. The industrial engineer in order to improve productivity will be interested in whether the machines are running as fast as they should be and whether there are problems in methodology and material handline. An outcome of the efforts of the productivity team to increase productivity may be a reduction in overtime and a reduction in down time. Any decision to make changes within a department must be discussed with and have the approval of the general foreman and departmental manager.

Case also has four SMED teams. SMED is an acronym for single minute exchange of dyes. Typically, a SMED team will consist of seven or eight employees with more than half of them from the production floor. A process engineer and industrial engineer as well as the foreman and unit employees will constitute a team. The purpose of the SMED team is to review the method and amount of time required to make setups. The team will brainstorm new methods.

A new product committee meets weekly. An industrial engineer appointed by manager Tyler sits on that committee on behalf of Tyler. The plant manager, manager of technical services, manager of production operations, manager of assembly and chief process engineers are also on the committee. When new products or major changes to existing products are coming along, this committee evaluates these changes and lays the ground work to assure that all of the tools, materials, methods, standards, and processes are ready. It is the role of the industrial engineer to be sure that when new changes occur, the methods and tooling have been identified and the SHPs standards are ready for the new change.

The press guard committee meets once or twice monthly. Its purpose is to identify problems regarding guarding for machines to safeguard piece workers. The safety manager, manager of technical services, manager of human resources, general foreman from the press departments and an industrial engineer constitute the press guard committee. A function of the committee is to identify areas where the machines are not in compliance with OSHA standards and to reconcile the guarding with the OSHA requirements. The one industrial engineer on the committee is appointed by industrial engineering manager Steve Tyler.

The union works standard representative (UWSR) is a union representative who is trained in the MOST computer system. While the industrial engineers are located in the main office, the UWSR also has an office just down the aisle from the offices of the industrial engineers. The UWSR has a desk with a computer with success to the same MOST systems as the industrial engineers have access. The UWSR is trained to evaluate the SHP standards which have been set by the industrial engineers.

If a bargaining unit employee has a complaint concerning the SHP standard determined by the industrial engineer for the operation which he performs, that bargaining unit employee can file a complaint with his foreman requesting a review of the SHP. The foreman goes over the standard and checks for errors. If the foreman finds no errors, he notifies the industrial engineer responsible for his area and the industrial engineer then goes over the standards and checks for errors in the numbers. If the industrial engineer finds an error, he corrects it. If he does not find an error, he goes out on the floor to observe the job and look for errors in methodology. If the industrial engineer feels that the standard is correct, he so informs the employee. At that time, the employee is entitled to protest the determination of the industrial engineer or have the UWSR come out and look at the SHP as well. If the UWSR looks over the SHP, he discusses it with the industrial engineer. In most cases, the bargaining unit employee's complaint will be worked out at or before this stage. If the unit employee is not satisfied with the resolution of his complaint concerning the SHP, the employee's complaint then enters the grievance procedure at the second step. If the grievance goes to a third step meeting, the industrial engineer and UWSR will sit in on this meeting. The industrial engineer participates to the extent that he explains what he has done in determining the SHP standard. Although the Union has the right to arbitrate or strike over the SHP standards, the third step is the farthest that any grievance concerning an SHP standard has gone.

On one occasion, a foreman called the industrial engineer who had done a line balance on his line and informed him that he was not able to run the line with the balance determined by the industrial engineer. After the foreman identified

the problem to the industrial engineer, the industrial engineer went to the line, discussed the problem with the foreman, and observed every man working on the llne. The industrial engineer then make a recommendation based upon his observations that one employee on the line was not performing his task in the right order and should be disqualified from assembly. Although the foreman acted upon the industrial engineers recommendation to disqualify the employee from the line because he could not make SHP, only the foreman, not the industrial engineer, had the authority to disqualify the employee. No industrial engineer has ever presented evidence on behalf of the Employer in the grievance procedure concerning an employee's disqualification.

Currently, two industrial engineers, Virgil Kain and Mike McCalla, are involved in local contract negotiations as part of the Company's negotiating team. McCalla is also a member of the central negotiating bargaining team for the Company. Kain and McCalla here selected by industrial engineering department manager Tyler to sit at the bargaining table. The industrial engineers assist the Company in cost analyses of Union proposals and in formulating responses to Union proposals as they relate to the standard hour plan. In central negotiations, McCalla is a member of the SHP subcommittee, a joint Company/Union subcommittee. This subcommittee was jointly agreed to by the UAW and Case to explore and solve issues relative to existing SHP. McCalla is on the committee due to his expertise and familiarity with the East Moline plant. The committee has two areas of responsibility, resolving existing issues under the contract concerning the administration of SHP and exploring alternatives to SHP. Inasmuch as work repetition is a factor determining if a job can be made incentive, the issue of repetitiveness is one jointly addressed by the Company and UAW on the SHP subcommittee. Repetitive implies that the same work motion is performed every time, that the same amount of work is there every time, and that the work content is the same every time.

In late March 1990, manager of industrial relations Paul Nitzel asked industrial engineering manager Tyler to respond to Union bargaining requests to change four or five areas currently on day work to piece work SHP activities. Tyler assigned these areas to industrial engineers working in his department. The industrial engineers investigated the potential benefit of the Union's proposals to the Company and then recommended to Tyler to deny the Union's proposals. Tyler had authority to change the industrial engineers' analysis and conclusions but did not. The plant manager accepted Tyler's subsequent recommendation to deny these proposals.

Process Engineers

Bob Hannah is the manager of the manufacturing engineering department in which the process engineers are employed. Other supervisors in that department include K. Williams, R. Ventling, and W. McNalley. The process engineers include D. Vroman, R. Claerhout, D. Kempt, W. Duncan, W. Herrington, J. Stribling, J. Hymes, J. Fout, L. Snyder, R. Hansell, R. Goebel, O. Farrier, R. Young, M. Epperly, R. Jones, R. Rondau, R. Carlson, and J. Drenter. The responsibility of the department is to review the blueprints for new and changed products which have been generated by design engineering and develop processes to manufacture these parts.

There are three classifications of process engineers. Those classifications are tool and process engineers, process engineer II, and welding engineer. A difference between the tool and process engineers and the process engineer II is that the tool and process engineers are capable of design work and also writing CNC tapes. The CNC tapes are computer software that the tool and process engineer programs to determine how fast a machine will run. This, in turn, affects how much employees are putting out and the quality of their work.

The welding engineer's function is to insure that welds are being produced at the least cost in material and labor. Although maintenance welders are given a test by the welding engineer at the time of their hiring, the decision whether or not a welder is qualified is made jointly by the foreman, inspection department, and welding engineer.

The Company relies on the process engineers to use their knowledge of the facility and equipment to process parts at the least cost to the Company. Involved in this is a decision whether manufacture the parts in-house or to buy the parts from an outside vendor. All decisions to make the parts in-house or to outsource the parts ultimately go to the plant controller. It is company policy that work should not be outsourced on a permanent basis unless it can be shown to be more economical to do the work outside. The Company relies upon the manufacturing engineering department to analyze in-house costs by assigning standard costs to making the pieces and comparing whether it is less or more costly to do the work in-house.

After design engineering sends a blueprint for a new or changed part to the department of manufacturing engineering, the manager of that department makes an assignment to a process engineer to analyze whether it is most cost efficient to make the part in-house or to buy it from outside. The first thing that the process engineer does is to locate a part already being made at the facility which is similar to the new or changed part. If a new or changed part is similar to one that is already being made at Case, the process engineer has access to a data base that is stored in the computer that will show the existing cost for the similar part. The process engineer sends a cost request to the purchasing department to obtain data to determine whether or not an outside vendor could make the part as cheaply as Case. If the Company is already producing a similar part in the plant, the process engineer will establish process for the new part based on the operations and equipment utilized in the production of the similar part and either estimate the costs of these operations or find data that would be close enough to establish a cost for the part.

When the process engineer issues a cost request to purchasing he does this by inputting information in the computer to the purchasing department describing the part and the release number of the part. Blueprints are sent to the purchasing department which are in turn sent to outside vendors by the purchasing department in order for the outside vendor to give a quote for that part. The purchasing department will contact the vendors for a quote. When a quote is returned, the purchasing department inputs the cost of that part in the system, and the data base will reflect that quotes have been received. Normally, there is an ''X'' or some indication as to which vendor has been chosen by the purchasing department. According to process engineer Carroll Kempt, the pur-

chasing department makes a decision as to the ability of the outside supplier to deliver quality parts in a timely manner and chooses the outside vendor. Once the process engineer sees in the data base that the vendor has been selected and that a quote has been received, he compares the quote to costs he has generated for the in-house making of the part and whichever is the lowest determines whether he recommends to make the part in-house or to outsource the part According to process engineer Kempt, the process engineers generally only contact outside vendors if a machine goes down and the Company needs to get a part immediately.

If the part is dissimilar from parts currently being manufactured, the process engineer first establishes what type of manufacturing process will be required to make the part to the design engineer's blueprint specifications. If it is a simple part, the process could simply consist of a mill, drill or lathe.

If the process engineer knows of a similar operation in the plant, he will look at the costs already established for that part. If he is not aware of a similar operation, the process engineer will estimate the amount of time that it takes to do the operation. To the time would be added the hourly machining and labor costs. At that point, the process engineer then has the in-house costs which he would compare to the cost of an outside vendor.

When process engineers evaluate in-house costs of new or changed parts and compare them with the costs of outside vendors, although existing cost information as to the cost of producing a part in-house has been developed and is available to the process engineer, the process engineer may, as part of his decision, reevaluate and reexamine that cost information to make sure it is current and up-to-date. Most of the data is based upon data available the plant. The answer to whether or not it would be cost efficient to produce the part in-house out out-house, more often than not, suggests itself as a result of the comparison of the figures alone.

Seven thousand to eight thousand changes in parts come to the manufacturing engineering department each year. One thousand to fifteen hundred decisions concerning the manufacture of new parts must be made.

If the decision is made to keep the production of a part in-house, the process engineer then writes a process for its production, that is, what machine and in what world center the part will be run, what the sequence of operations will be, what type of tooling will be needed and what the method of production will be. A tool order will go to the tool and process engineer who will then make another determination whether or not the tooling should be done in-house or whether it should be done outside. The process engineer will write a detailed explanation of what is to be done in the world center and will estimate the piece work price.

The process engineer does I not have the authority to decide whether to buy new machine tools. Except perhaps on a temporary basis such as when a machine breaks down, neither does the process engineer have the authority to go to an outsource supplier when his own study suggests that it is cheaper to produce the part in-house. The process engineer can make a decision to outsource a part based upon authority that the Company has given him dependent upon his completing a study that shows that it is cheaper to produce the part with an outside vendor. Although a process engineer does have authority to keep the production of a part in-house even though the outsource may be cheaper, there would have to be reasons such as scheduling, delivery, or quality, and the process engineer is subject to being asked to explain his reasons to William Horak, manager of production operations.

When a decision to buy a part from an outside vendor has been made, manager Hannah sends a letter to labor relations advising them of the plan to outsource the work. Hannah will also advise the Union steward in the area affected by the outsourcing of the work. Issues involving outsourcing of new or changed parts may be the subject of discussions between the Union and the industrial relations department.

The process engineer has a different role in making decisions concerning outsourcing of tooling than for parts. With regard to outsourcing parts, the Company simply does not have the capability to make some parts, such as tires. As to other parts, the Company may be capable but the costs may be prohibitive and the time required for setting up inefficient. With regard to recommendations of the process engineer to outsource tooling, the recommendations concerning tooling go to the tooling department, not manufacturing engineering manager Bob Hannah. Currently, there is no outsourcing of tooling unless it is something that cannot be made in the tool room.

An AFE or authority for expenditures must be submitted for approval for any new tooling and new equipment necessary to achieve labor and material cost savings. Although the process engineer who prepared the AFE initially signs off on it and his immediate supervisor and/or manager Hannah also sign the AFE, the plant controller and plant manager have to sign the AFE before it is finally approved. The process engineer cannot bypass his immediate supervisor and Hannah and send the AFE for approval without their signatures.

One process engineer is assigned to each of the eight cost reduction teams as an advisor. The manufacturing engineering department is also a team in and of itself.

With respect to the planning and performance evaluation, PP&E, it is a goal of the manufacturing engineering department to save $600,000 in labor and material for the year. In some cases, the department has attempted to reduce product costs by purchasing tooling and in others by changing their methods of producing a part. The department may also suggest design changes to design engineering. Cost savings may be achieved by both recommendations lowering labor costs and lowering material costs. Process engineers are also members of the SMED teams. The rule of the process engineer is to come up with ways to reduce set-up times, particularly when tooling is involved. Other members of the SMED teams are industrial engineers, piece workers that work on the particular area where the team is working, representatives from the tool room and foremen.

With regard to the press guard committee that meets concerning safety and compliance with OSHA standards, the committee's goal is to come up with methods to protect the press opertors. Industrial engineering manager Tyler, a foreman and process engineer Harrington are on the press guard team. Harrington was appointed by department manager Hannah.

Advance Planning Process Engineers

Two advance planning process engineers, Leonard Cutler and John Miller, report to product introduction coordinator Vernon Cathelyn in the liaison department. A proposed de-

sign change request form or PAR may come from the design engineers or the process engineers to the liaison department and will be assigned by Cathelyn to an advance planning process engineer for evaluation. It is the function of the advance planning process engineer to estimate the savings from proposed design changes and new products. The purpose of proposing a design change is to reduce costs involved with the production of an item. Although Cathelyn must approve any proposed design changes made by his department, design engineering must also approve any design changes exceeding a certain level. Cathelyn can unilaterally approve a change up to a maximum $2.00 cost increase per product or $2,000 for a given change in tooling.

While the process engineers deal with on-going processes, the advance planning process engineers deal with advanced planning of products before they are released for production. The advanced planning process engineers are product oriented and look at planning that is in an advanced stage from the point of view of the whole product, not just, for instance, sheet metal or assembly or machining. The advanced planning process engineers still do cost analysis, and although the way they do it is similar to the process engineers, the magnitude of their analysis is greater.

Typically, a request for the liaison department to determine the feasibility of a new product or design change comes from the world product committee. The world product committee includes a design engineer, plant manager Woodward, a marketing representative, a corporate product planning representative, and the vice president. Although Cathelyn attends meetings of the world product committee, he is not a full member. The world product committee makes future decisions as to what products are to be produced, when they are going to be produced, how they will be produced, and when a product is going to be changed. Cathelyn provides cost estimates to the committee for product changes and new products and keeps them posted on the implementation of changes, component costs and start up costs. The advance planning process engineers are given assignments by Cathelyn to get information for him concerning these matters, which Cathelyn then presents to the world product committee. Some of the future products being discussed are confidential from Case's competitors.

Whether or not a new product is to be introduced is not a decision of the advance planning process engineer. Cathelyn gives assignments to the advanced planning process engineers and many of their directives come from the world product committee. The world product committee looks to Cathelyn for a recommendation as to the feasibility of a new or changed product, and Cathelyn in turn looks for an analysis from his advance planning process engineers. Cathelyn tells the advance planning process engineers what he wants them to gather in order that he may report back to the world product committee. The advanced planning process engineers do not decide if a project is to go ahead or not.

The liaison department also determines the schedules for new products or designs. Inasmuch as some products are seasonal or are scheduled to begin at the start of a new year, some dates on the schedule are self-evident.

The advance planning process engineers are involved with pre-production units and pilot projects. The advance planning process engineer will take the specifications and drawings from design engineering and determine how to get all of the parts for the pilot project. The advanced planning process engineer goes by the blueprint and has no authority to make changes. He must stay within the framework of the blueprint when he decides to get parts in-house or go outside and has to request approval to make deviations from the blueprints. The advanced planning process engineers will convert a bill of materials into how the Company is going to get the parts for the pilot units by feeding the bill into tracking document. By tracking, the advance planning process engineers, as the determine to make parts or buy parts, put the parts on a computer list. This is the initial entry into the system for the prototype part and the beginning of a data base. When the prototype is actually being built, the advance planning process engineer may be on the shop floor observing the production of the unit to verify that it is being built according to plans, to look for potential problems and also to lend his expertise to the building of the prototype.

Facility Engineers

Seven facility engineers are currently employed in the facility and plant engineering department which is managed by Walter Dunn. The facility engineers include P. J. Allmen, D. L. Ropp, R. L. Imel, P. L. Imel, K. M. Weiller, S. Stuart and R. T. Thorsvold. The department is responsible or analyzing, designing, laying out, procuring, and installing projects relating to the facilities, the grounds, and the buildings at the Company's East Moline plant. The department is also responsible for analyzing, designing, laying out, procuring, and installing major systems internal to the building such as paint systems, machine tools, conveyor systems, high-rises, waste treatment plants, incinerators, power distribution systems, and pneumatics and is involved with material handling, heating and air conditioning, and compliance with EPA and OSHA requirements. The manager of production operations, William Horak, relies upon the facility engineers to evaluate the most cost effective methods of layouts of the departments and machine tools. All layouts designed by the facility engineers must be approved by the manufacturing department.

The goal of the facility engineer is to design a cost efficient layout. A rearrangement of machines might eliminate routings and material handling and thereby reduce the labor and costs of handling a part or product. The layout of the facility affects the combination of job classifications possible. The facility engineer frequently works with the process engineer in connection with the installation of machine tools. The process engineer may ask the facility engineer for the electrical specifications of a machine to determine where they are physically able to locate that particular machine within the plant. The facility engineers evaluate the structural requirements of cranes, hoists, and bails which may not only make a job easier, but also make it safer. To the extent that a facility engineer might recommend the installation of robotics, conveyor systems, or automatic storage retrieval systems to eliminate material handling, the number of jobs required to perform and operations may be affected.

It is the corporate goal of Case to make the East Moline facility a world class manufacturing facility. A world class manufacturing concept includes putting machines closer together and combining work tasks. The rationalization program that is policy of the Company has an objective to completely cellularize the entire plant by rearranging machines

into cells to eliminate as much material handling as possible, to decrease inventories, and to deliver material just in time. The goal to cellularize the plant is a corporate-wide goal. A cell takes existing machine tools and puts them together so that instead of processing a part in a traditional in-line manufacturing process, the work is now completed within the cell. It is a function of the facility engineer in the rationalization program to look for as many ways to cellularize as possible. Suggestions to cellularize are not limited to the facility engineers; rank-and-file employees are also encouraged to make suggestions. When a decision to cellularize is made, it is up to the facility engineer to do the study and the drawings that may implement that decision. Most of the drawings and layouts for blueprints are done by the facility engineer on a computer.

After a facility engineer has evaluated, analyzed, and designed or laid out a project, he must then determine how to accomplish the task, that is, whether or not the task should be completed in-house or should be completed by an outside vendor. The facility engineer will make a recommendation to do the work in-house or farm it out to manager Dunn who then approves whether the work is to be done in-house or by an outside contractor. If the facility engineer makes a determination that in-house is the most cost effective, and his recommendation to complete the work in-house is approved by Dunn, the facility engineer then writes an interior order, which is a work order, directing maintenance employees as to what has to be done. The facility engineer will then work with maintenance to develop a schedule of accomplishment and oversee the job to see that it is installed the way it has been designed. A facility engineer may recommend to Dunn that the project be completed by an outside contractor if Case does not have the proper equipment to install the project in-house, does not have the right trades or the right trades trained properly to do the job, if timing is a factor, if it is a matter of warranty of the equipment to be installed, or if the outside contractor can do the work most cost effectively.

If the work has been farmed out, the facility engineer will also oversee the work of the subcontractor to insure that the work is satisfactory in terms of quality. In either case, the facility engineer is to keep Dunn posted on the status of the project to make sure that it is on schedule and to allow Dunn to respond to questions that he may be asked by his superiors. The procedure at Case requires upper level management over and above Dunn to sign off on the facility engineers' suggestions if they deal with an expenditure of money. The facility engineers do not have the authority to independently commit the Company's money or resources.

A farm out report notifies the labor relations manager that a decision has been made to farm out a particular job and that the labor relations manager should notify the Union as to that decision. A farm out form is then presented to the Union by industrial relations. A farm out committee exists which consists of three management employees and three union representatives. The regular management representatives are Dunn, the manager of maintenance and the manager of industrial relations. The committee meets a minimum of once per week and when emergencies arise. The committee reviews all of the farm outs that have been presented to the Union. The Company's obligation under the contract is to present the Union with a copy of the farm out form five days prior to the meeting. At the farm out committee meeting, those on the committee go through the details of the form. Although Dunn is a regular member of the farm out committee, there have been occasions when he has appointed one of his facility engineers to attend committee meetings in his place, particularly when he knows an engineer may be able to answer the questions pertaining to a particular farm out and has special knowledge of the project. Manager of Industrial Relations Paul Nitzel calls the meetings and informs Dunn in advance as to which farm outs are going to be presented. Dunn will then meet with the facility engineer who worked on the project before he attends the meeting to make sure that has all of the facts. The UAW has the right under the collective bargaining agreement to file grievances concerning subcontracting that cannot be resolved in the farm out committee meetings. Particularly to the skilled trades and maintenance personnel represented by UAW Local 1304, subcontracting is a particularly sensitive issue.

If an expenditure of funds is required as a part of a layout change, an AFE form or appropriation for expenditure must be submitted. Although the facility engineer will sign the AFE expenditures are not approved on his signature alone. Cost reduction ideas by a facility engineer to go to an outside contractor must be approved up the chain of command. Manager Dunn does not independently investigate the cost analysis and data in the reports of the facility engineers but only reviews their reports insofar as whether the conclusions are properly drawn.

Facility engineers also serve on the cost reduction team where their role is to assist in the generation and implementation of ideas. The facility and plant engineering department as well as each facility engineer has a monetary goal for cost reductions. The planning and performance evaluation is part of those goals to achieve cost reductions.

Long-Range Planning Engineers

Brian Adlfinger is classified as a facility engineer but is employed as a long-range planning engineer in the long-range planning department. His supervisor is departmental manager Stephen Potter. The mission of this department over the next five years is to develop the East Moline action plan, also referred to as EMAP. The EMAP plan is to convert the East Moline plant to a world class manufacturing facility able to meet global competition through training, relocation in the cell technology, reduction of production costs, and improvement in quality. The EMAP program came from the upper levels of Case corporation including CEO Ashford and other chief executives of the Company. In implementing cell technology, the goal is to convert and take operations currently disjointed or located in remote areas and bring them closer together to the points of use. The cell technology will primarily involve the assembly lines to reduce the inventory and the flow of materials, thereby reducing costs and also, in some cases, labor. Cross training and job rotation are included in the plan. The long-range planning department has finished the concept phase of the EMAP plan and is currently completing the funding phase. The department is making detailed designs of the concepts that have already been developed.

The concept phase of the EMAP plan was concluded with the a acceptance by upper management of one of three concept drawings developed by the long-range planning department. Both Adlfinger and Potter worked on the three concept

drawings which were presented for final approval and of which one was elected by upper management. Neither Adlfinger nor Potter had the final authority to decide what was the best concept proposal for the five year plan. The concept drawing selected is a drawing of the plant as it will appear in 1994. One of the plans prepared by Potter and Adlfinger, although it was not accepted ultimately, involved a location other than the East Moline facility. In developing the layout proposal, which is essentially the floor plan for the EMAP program, both Adlfinger and Potter consulted with the managers of manufacturing engineering, design engineering, industrial engineering and facility engineering for input. To prepare the layout for the concept drawings, both Potter and Adlfinger had advance data for the next five years on schedules, budgets, job classifications, and manning. Although the long-range planning department prepared the layout, neither Adlfinger nor Potter were involved with the decision as to what products were to be produced during the five years of the plan. All proposals of the long-range planning department have to go through the approval process of higher management before implementation.

Long-range planning engineer Adlfinger makes his layouts on computer. The CAD-CAM computer base which Adlfinger uses has a drawing aided tool. According to Adlfinger, he ''floats trial balloons'' on how the plant could be in future years. Adlfinger makes entries of data into a tube, and the tube relays the information to a plotter. The plotter is paper and ink that plots drawings that Adlfinger makes. Typically, a clerical member of UAW local 1356 takes the drawings off the computer and is the first person to see the drawings. After a drawing comes off the plotter, Adlfinger looks for mistakes or changes. If he determines that the drawing is laid out correctly and there are no mistakes or changes, Adlfinger will give the drawing to Potter who, unless he finds mistakes or wants something changed, will present it to other management to try to get funding for a project.

According to Adlfinger, although he knows what products the Company is producing now, it is privileged information as to what they are going to produce in the future and he is not given information as to future products. According to Adlfinger, he is only told to allot so many square feet vacant. In fact, the concept drawing for the EMAP plan does indicate areas marked ''future,'' areas allotted for future opportunities.

After the plan concept ha been approved, the long-range planning department is involved in detailed drawings and detailed layouts of the facility, section by section. Again, each of these designs must be approved by an management above Potter. Adlfinger works closely with manufacturing engineering, design engineering, and industrial engineering to find out their requirements in setting up production lines and other operations in the plant. Adlfinger graphically portrays what the other engineering groups feel to be the best solution and adds his experience in the areas of material handling, layout and facilities

Potter, in approving Adlfinger's drawings, primarily looks at how the cells fit in relationship to the overall budget, schedule and plan. Potter relies upon Adlfinger's experience and fact gathering in the details of the layout.

After the design concept is approved, the EMAP plan will go to the implementation phase. The execution will be carried out either by an outside contractor or an inside maintenance crew. The long-range planning engineer will follow the project, whether it is being performed by an outside contractor or an inside maintenance crew, making sure that the project is within the pre-defined specifications and verifying that the equipment functions as designed and that there are no safety or other problems. In determining whether a project is to be performed by an outside contractor or in-house, the long-range planning engineer will follow a process similar to the process used by the other facility engineers for comparing costs to make this determination. The long-range planning department may have an indirect impact on labor costs by their recommendations in the layout concerning the types of equipment, types of processes and the nature of the layout that they have put together. If a machine suggested by the long-range planning department works more efficiently or the department devises a more efficient way of routing materials, this may ultimately impact upon the amount of labor required to perform an operation. Notwithstanding, neither Potter nor Adlfinger decides what particular individuals will be chosen to do a job or the particular individuals who will have their jobs eliminated or changed by virtue of a new or changed layout design.

In developing proposals for the future layout of the facility the long-range planning engineer has access to labor cost studies and labor cap cost data already in existence within the Company. The long-range planning engineer does not make a decision concerning what alternative is the most efficient but merely makes a recommendation subject to review and approval. In some cases, the decision is obvious but sometimes there are intangibles and considerations concerning the impact of other departments and the flow of other materials. Although long-range planning engineer Adlfinger makes a first level decision as to what he proposes in a layout, his proposals are subject to review by Potter. If a project is over $400,000, the layouts must be approved by the head of the production department involved, the plant controller, manager of technical services, and general plant manager. From there, the proposal will go through several approval processes to Case CEO Ashford and then to Tenneco CEO Kennelson.

Metallurgist/Quality Control Engineer

The four engineers classified as metallurgist/quality control engineers are Denny Cleair, Jack Minnaert, Ron Correll and Jerry Blaise. Martin Plecki, chief metallurgist, is their immediate supervisor.

The senior management at Case, realizing that the Company needed to be more competitive on the world market, recognized the need to improve the quality of its products. As a result, it instituted total quality management. The corporate goal is to have a 100 percent perfect supply of product. Total quality management consists of several different aspects relating to quality including supplier quality assurance (SQA), just in time inventory, and statistical process control. Statistical process control is a quality system used in the factory to control processes so that the products are assured to conform to their blueprints. Just in time inventory is an inventory control system whereby the amount of in process or in storage inventory is reduced. This thereby reduces total costs because money is not tied up in excess inventory and the parts get to the manufacturing location where

they are used just when they are needed. Just in time inventory impacts on the quality of parts because in order to implement the just in time inventory system, the quality of the parts have to be good all the time inasmuch as there is not a bank of materials that can be drawn from in case some parts come back bad.

The SQA system involves a metallurgist/quality control engineer, a person from the purchasing department, and sometimes a design engineer or manufacturing person to visit the plant of each supplier being considered by the Company to evaluate the supplier's ability to produce and supply quality parts without defects according to the requirements of the supplier quality assurance (SQA) manual. This evaluation is called a supplier quality assurance survey. The SQA manual was written by chief metallurgist Plecki. After evaluating the supplier's capabilities, those involved in the survey meet with the supplier in an exit interview and highlight its strengths and opportunities for improvements. At that time, the metallurgist/quality control engineer and purchasing department representative try to convince the supplier of the benefits of providing parts without defects. The system that Case will ask the supplier to institute includes a statistical process control system, an employee involvement system, and a record keeping system that shows that the parts produced are correct and delivered on time. If new suppliers supply parts that are timely and free of defect, they are certified.

The purchasing department not the metallurgical engineering department, has the final say as to which supplier is selected after the completion of the SQA survey. When a supplier which has been selected receives an order from Case for parts, the purchase order and drawings generated by the purchasing department specify the requirements of those parts. Although the metallurgist/quality control engineers do not generate these documents they do oversee to make sure that the supplier follows the purchase order and drawings. The metallurgist/quality control engineers do not tell the supplier how to make better products, but suggest areas in which it can improve its quality systems in order that its parts meet Case's specifications. They are guided in their suggestions by the SQA manual.

The metallurgist/quality control engineers also make tests on and evaluate material properties. In terms of the specifications regarding those properties, the engineer will counsel and give advise in the materials field. Materials include metals, oils, paints, and plastics. Both Cleair and Menard work in the laboratory and among their tasks are the testing of metals.

Conclusion: Re Managerial and Supervisory Status

Industrial Engineers

Managerial employees have long been defined by the Board as those who formulate and effectuate management policies by expressing and making operative the decisions of their employer and who have discretion in the performance of their jobs independent of their employer's established policies. See *Palace Laundry Dry Cleaning Corp.*, 75 NLRB 320, 323 (1947); *NLRB v. Bell Aerospace Co*., 416 U.S. 267 (1974). Notwithstanding that work which is based upon technical and professional competence must necessarily involve a consistent exercise of discretion and judgment, technical and professional employees plainly are not the same as managerial employees either by definition or in authority. Technical and professional employees are not vested with managerial authority merely by virtue of their status because work performed in that status may have a bearing on the direction of the Company. Similarly, technical expertise in administrative functions involving the exercise of judgment and discretion does not confer managerial status upon the performer. See *General Dynamics Corp.*, 213 NLRB 851, 857–58 (1974).

The record discloses that the primary function of the industrial engineer is to control or reduce production costs through engineering methods. To this end, they preliminarily establish incentive rates and determine the number and placement of bargaining unit employees for the most efficient assembly line operations. Certainly, the setting of incentive rates affects the wages of other employees and formulating assembly methods affects the overall number of production employees used. However, there is no evidence that the industrial engineers make particular employee assignments or establish the rate of pay for specific employees. Further, the evidence shows that an engineer does no more than notify a production foreman of defects caused by unit employees. Finally, the record shows that the engineers become involved in the grievance process only to the extent of defending their technical expertise that was used in setting an appropriate piece work incentive rate. In *Chrysler Corp. (Airtemp Division)*, 192 NLRB 1208, 1209 (1971), the Board held that industrial engineers, for the reasons stated above, are not managerial employees nor supervisors in the statutory sense. See also *Westinghouse Air Brake Co*., 119 NLRB 1391, 1393 1958); *Chapman Valve Mfg. Co*., 119 NLRB 935, 937 (1957); *Timken Detroit Axle Co*., 80 NLRB 1075, 1077 (1948). There is no evidence that the industrial engineers do more than make technical recommendations that must be approved by upper management or that they have discretion to deviate from the Company's established policies. See *Flintkote Co*., 217 NLRB 497, 499 (1975).

The basic function of industrial engineers is to ensure that the operations of the Employer are carried out with maximum efficiency with a goal of reducing production costs. To accomplish this objective, they make calculations as to how long it takes to perform given operations or how many operations can be completed in a given period of time and make determinations as to the standard hourly plan incentive base rate. The industrial engineers then recommend man assignments which may involve additions or cutbacks in the workforce of a department. The industrial engineers in attempting to reduce production costs may also analyze whether the purchase of new equipment will reduce operating costs. Their duties necessarily involve some contact with employees in other units represented by the Petitioner.

The basic function of industrial engineers is to save money for the Employer. Whenever they find that work standards are not being met, that the best methods of performing an operation are not being used or that the best possible use of a given piece of equipment is not being made, they make appropriate recommendations to correct the situation. Although their recommendations may result in changes in man assignments, transfers of employees to different jobs or changes in a department's manpower which require hiring, transferring or laying off employees, the industrial engineers do not assign work to a particular employee or determine his rate of

pay. If an industrial engineer sees that an employee is not meeting the current work standards, he may inform the foreman of this fact but it is the foreman who decides whether to disqualify the employee from the job. As the Board stated in *Chrysler Corp. (Airtemp Division)*, 192 NLRB at 1208, the fact that industrial engineers may suggest method changes to increase efficiency and reduce costs, establish and determine production or performance standards, and make studies which are relied on in resolving grievances does not indicate that they are managerial employees. See also, *Chapman Valve Mfg. Co.*, 119 NLRB at 937; *Westinghouse Electric Corp.*, 89 NLRB 8, 11 (1950); *Westinghouse Air Brake Co.*, 119 NLRB at 1393; *F. W. Sickles Co.*, 81 NLRB 390, 400 (1949); *Bulldog Electric Products Co.*, 96 NLRB 642, 644 (1951); *Timken Detroit Axle Co.*, 80 NLRB at 1077. For the reasons stated above, I find that the industrial engineers are not managerial or supervisory employees. I further find that they share a community of interest with the other employees included in the unit found appropriate herein, and accordingly, I include them in said unit.

Process Engineers

As discussed earlier, process engineers calculate the costs involved making parts in-house and in having the parts made by outside suppliers and preliminarily determine the feasibility of outsourcing. The process engineers formulate the costs and study the feasibility of producing new and changed parts. As with the industrial engineers discussed *supra* the development of changes in production processes affect the conditions of employment of employees in a bargaining unit already represented by the UAW. However, again, the record shows no evidence that the process engineers assign, transfer or layoff any specific personnel because of the production processes developed or changed.

The process engineers calculate costs and present recommendations to make the parts in-house or purchase them from outside vendors. However there is no evidence that the engineers can do more than make recommendations based on their technical expertise; their recommendations must be approved by upper management. The record reveals no degree of discretion accorded the engineers in this area. The process engineers do not possess discretion in the performance of their jobs independent of their Employer's established policies. See *Aeronca, Inc.*, 221 NLRB 326, 327–28 (1975). Even assuming, arguendo, that the process engineers normally solicit estimated from outside suppliers in collecting their data for cost estimates, I would not find that this made them managerial employees. See *Flintkote Co*., 270 NLRB at 498. For all of the reasons stated above, I find the process engineers are not managerial or supervisory employees. I do find that they share a community of interest with the others included in the unit found appropriate herein, and I include them in said unit.

Advance Planning Process Engineers

The advance planning process engineers estimate the savings from proposed design changes and new products. They also calculate the costs and present recommendations to make in-house or buy from outside suppliers new or changed parts and are involved in determining the schedules for new products and designs. While the process engineers deal with ongoing processes, the advance planning process engineers deal with advance planning of products before they are released for production.

The discretion exercised by the advance planning process engineers is in accordance with their technical abilities and bottomed on a responsibility for estimating costs and making recommendations as to the most efficient way to produce new and changed parts. The instances in which the advance planning process engineers may direct the work of the hourly production unit employees with regard to pre-production units and pilot projects is so limited as to have no bearing on the issues involved. The function of the advance planning process engineer on the shop floor during the building of prototype or pilot projects is to observe the production of the unit to verify that they are being built according to plans, to look for potential problems and to lend his expertise to the building of the prototype. He may do this by giving direction to the hourly production employees and foremen involved with the actual building of the prototype. See *General Dynamics Corp.*, 213 NLRB at 866. Whether or not a new production is to be introduced is not a decision of the advance planning process engineers. The basic function of the advance planning process engineers is to ensure that the Employer's projected future operations are carried out with maximum efficiency.

The technical decisions and judgments of the advance planning process engineers may ultimately have an influence on the Company's industrial relations practices and policies, but this impact results only after upper management officials have made the policy decisions to implement particular recommendations. In short, I conclude that the advance planning process engineers do not formulate or effectuate management policies since their recommendations must be approved by management officials and they do not have discretion in their job performance independent of their Employer's established policies. See *Flintkote Co*., 217 NLRB at 499; *General Dynamics Corp.*, 213 NLRB at 658. Therefore, I find that the advanced planning process engineers are not managerial or supervisory employees. I further find that they share a community of interest with the other employees included in the unit found appropriate herein, and accordingly, I include them in said unit.

Facility Engineers

The facility engineers design and evaluate the most cost effective methods of layout of the departments and machine tools. A cost efficient layout may involve a rearrangement of machines that eliminates material handling thereby reducing the labor related costs of handling a part or product. The layout of the facility may also affect the combinations of job classifications possible. When it is proposed that new equipment be purchased or a new layout of operations be utilized, the recommendations of the facility engineers may affect the conditions of other employees by resulting in changes in man assignments, transfers of employees to different jobs or changes in a department's manpower. However, the facility engineers do not assign work to particular employees or determine the particular employees to be affected by automation or other labor saving devices.

The facility engineers were not involved in the Company's policy decision to make the East Moline facility a world class manufacturing facility, a policy decision requiring the putting of machines closer together, combining work tasks

and cellularizing the entire plant by rearranging machines into cells to eliminate as much material handling as possible, decreasing inventories and delivering materials just in time. The decision of the facility engineers are purely technical decisions which are not discretionary and which comply with the Company's stated policy objectives established at many levels above the facility engineers. There is no evidence that the facility engineers do more than make technical recommendations that must be approved by management or that they have discretion to deviate from the Company's established policy. See *Flintkote Co*., 217 NLRB at 499. Furthermore, the record shows no evidence that the facility engineers assign, transfer or layoff any specific personnel because of the layout designs they develop. For all of the reasons above, I find that the facility engineers are not managerial or supervisory employees. I also find that the facility engineers have a community of interest with the other employees included in the unit found appropriate herein, and I include the facility engineers in said unit.

Long-Range Planning Engineers

The long-range planning engineer gathers information from manufacturing engineering, design engineering and industrial engineering and uses this information to design the future layout, operation, methodology, job classifications and manning of the East Moline facility over the next five years. These future decisions are projected as a result of the Company's policy and EMAP plan to convert the East Moline plant to a world class manufacturing facility able to meet global competition through training, relocation into cell technology, reduction of costs to produce a product, and improvement in quality. The EMAP program came from the upper levels of Case Corporation. The long-range forecasts may address cross training, job rotation, the combination of jobs, and automation and robotics to decrease material handling. I a machine suggested by the long-range planning engineer worked more efficiently or the department devised a more efficient way of routing materials, this may ultimately impact upon the amount of labor required to perform an operation. Notwithstanding, the long-range planning engineer does not decide the particular individuals to be chosen to do a job or the particular individuals who will have their jobs eliminated or changed by virtue of a new or changed layout design. Although the long-range planning engineer makes a first level decision as to what he proposes in a layout, his proposals are subject to review by higher management before implementation.

I conclude that the long-range planning engineers affects the working conditions of other employees only in the same manner and to the same extent as the work of the industrial engineers, process engineers, and advance planning process engineers whom I have found to be non-managerial and non-supervisory. Accordingly, I find that the long-range planning engineers are not managerial or supervisory employees, share a community of interest with other employees in the unit found appropriate herein and should be included in said unit.

Metallurgist/Quality Control Engineers

The metallurgist/quality control engineers are responsible for the supplier quality assurance program, just in time inventory and statistical process control. The metallurgist/quality control engineers participate in the evaluation of potential outside suppliers to assure that they will be able to supply quality parts free of defect. Although the metallurgist/quality control engineers participate in the supplier quality assurance evaluations, the metallurgical engineering department does not have the final say as to which supplier is selected.

The job responsibilities and manner in which the metallurgist/quality control engineers perform their work are specifically detailed by the supplier quality assurance manual, and they have no discretion to deviate from the standards in this manual. The metallurgist/quality control engineers have no authority or discretion to alter the acceptance criteria of the work performed by outside vendors. Their jobs are primarily technical in nature and covered by preexisting established policies. See *Iowa Electric Light & Power*, 261 NLRB 144 (1982), enfd. 717 F.2d 433 (8th Cir. 1983); *Bechtel, Inc.*, 225 NLRB 197, 198 (1976). There is no evidence that the metallurgist/quality control engineers do more than make technical recommendations that must be approved by management. I do not find that the concerns of the metallurgist/quality control engineers with the quality of the vendor and its product make them managerial employees. See *General Dynamics Corp.*, 213 NLRB at 867. For the reasons stated above, I find that the metallurgist/quality control engineers are not managerial or supervisory employees, share a community of interest with the other employees included in the unit found appropriate herein and should be included in said unit along with the industrial engineers, process engineers, advance planning process engineers, facility engineers, and long-range planning engineers.

Conclusion: Re Confidential Status

With respect to the disputed job classifications, particularly the industrial engineers, process engineers, facility engineers, and the long-range planning engineer, the Employer contends that these employees should be excluded from the unit as confidential employees. The Employer's argument in all cases appears to be that the same factors that make them managerial employees also make them confidential employees. The Employer argues that because certain of the engineers in issue are involved with setting incentive rates which affect the other employees' wages, plan production processes which may affect how many employees will be used, and/or decide whether to make or buy parts, the engineers, therefore, are confidential employees involved in labor relations. The Employer also argues, with respect to the industrial engineers, that they are confidential employees because they may be called upon on behalf of the Company to defend the standard hourly plan incentive rates which they have set for the jobs of production employees and because industrial engineers are involved in advising the Company in collective bargaining negotiations. With respect to the long-range planning process engineers and the facility engineers, the Employer a1so argues that they have access to future confidential data concerning the Employer's future products, production processes and manpower needs.

The Employer's arguments does not withstand analysis under the test for confidential employees enunciated in *B. F. Goodrich Co*., 115 NLRB 722, 724 (1956), and affirmed by the Supreme Court in *NLRB v. Hendricks County Rural Electric Membership Corp*., 454 U.S. 170 (1981). With respect to the role of the industrial engineers in the grievance proce-

dure and in collective bargaining, the record does not support the Employer's assertions that the industrial engineers furnish assistance and act in a confidential capacity to employees in charge of the Company's collective bargaining or to any person who formulates, determines or effectuates management policies in the field of labor relations. Rather, these employees provide technical assistance to management and give advice in achieving cost reductions and efficient production. Such assistance is not sufficient to make them confidential employees. See *Flintkote Co*., supra, 217 NLRB at 499; *Chrysler Corp. (Airtemp Division)*, supra, 192 NLRB at 1209. The role of the industrial engineers in collective bargaining is readily distinguishable from the role of the labor estimators who were found to be confidential employees in *Pullman, Inc*., 214 NLRB 762 (1974). The record does not show, as the Employer urges in its brief, that either the to industrial engineers involved in local negotiations or the one industrial engineer who is on the joint Company/Union SHP subcommittee in central negotiations are privy to labor relations information of the Employer that, if divulged to the Union, would clearly prejudice the Employer's bargaining strategy in negotiations with the Union.

The industrial engineers are not confidential employees inasmuch as their relationship to those managerial employees who formulate, determine and effectuate labor relations is not one of furnishing assistance to them in the labor relations field. Rather, the industrial engineers function as technical advisors, helping to increase efficiency and to solve various production problems. Although the industrial engineers may be called upon in the grievance procedure to explain and defend the incentive rates which they have set under the MOST system, the Board found in *Chrysler Corp. (Airtemp Division)*, supra, 192 NLRB at 1209 that this does not indicate that they are managerial or supervisory employees. See also *B. F. Goodrich Co*., supra, 115 NLRB at 724; *Holly Sugar Corp*., 193 NLRB 1024, 1025–26 (1971); *Weyerhaeuser Co*., 173 NLRB 1170, 1172–1073 (1968); *Westinghouse Electric Corp*., 89 NLRB at 71; *Timken Detroit Axle Co.*, supra, 80 NLRB at 1077.

There is no evidence that the industrial, process, advance planning process, facility, long-term planning or metallurgist/quality control engineers in question here are in a confidential relationship with any employee charged with the formulation, determination and effectuation of labor relations. See *Holly Sugar Corp.*, 193 NLRB at 1025–1026. Moreover, access to trade secrets or information concerning the Employer's future products does not make an employee confidential. See *Flintkote Co.*, supra, 217 NLRB at fn. 6; *Copperweld Steel Co.*, 102 NLRB 1229, 1230–1231 (1953). Accordingly, I find the industrial, process, advance planning process, facility, long-range planning and metallurgist/quality control engineers are not confidential employees.